

37 Am. Jur. 2d Fraud and Deceit § 126

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Fraud and Deceit

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IV. False Representations

F. Intent to Deceive, or to Induce Reliance; Knowledge of Falsity

3. Particular Kinds of Representations, Transactions, Relief, etc.

a. Representations; Concealment

§ 126. Representations as to financial responsibility, credit, and solvency—Indirect representations

[Topic Summary](#) | [Correlation Table](#) | [References](#)

West's Key Number Digest

West's Key Number Digest, [Fraud](#)  13

Forms

[Am. Jur. Pleading and Practice Forms, Fraud and Deceit § 36](#) (Complaint, petition, or declaration—For damages—Intentional misrepresentation of true financial condition of corporation to which plaintiff had extended credit)

[Am. Jur. Pleading and Practice Forms, Fraud and Deceit § 125](#) (Complaint, petition, or declaration—For damages—Misrepresentation as to own financial standing—Made through merchants' credit association)

The principle of liability for indirect representations has been applied where a person makes false representations to a commercial agency as to the person's financial responsibility, for the purpose of obtaining credit from a subscriber to the agency, who relies upon this information, and the person making such representations is liable in the same manner as if they had been made directly to the party injured.¹ This rule applies where one makes false representations to a commercial agency as to the financial condition of a firm or corporation of which the person is a member or stockholder.²

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Footnotes

- 1 Hiller v. Ellis, 72 Miss. 701, 18 So. 95 (1895); Tindle v. Birkett, 171 N.Y. 520, 64 N.E. 210 (1902); Gainesville Nat. Bank v. Bamberger, 77 Tex. 48, 13 S.W. 959 (1890).
As to the liability of the commercial or credit-reporting agency, see [Am. Jur. 2d, Collection and Credit Agencies §§ 39, 40](#).
- 2 Forbes v. Auerbach, 56 So. 2d 895, 32 A.L.R.2d 176 (Fla. 1952); Mulkey v. Morris, 1957 OK 168, 313 P.2d 494 (Okla. 1957) (partner).

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